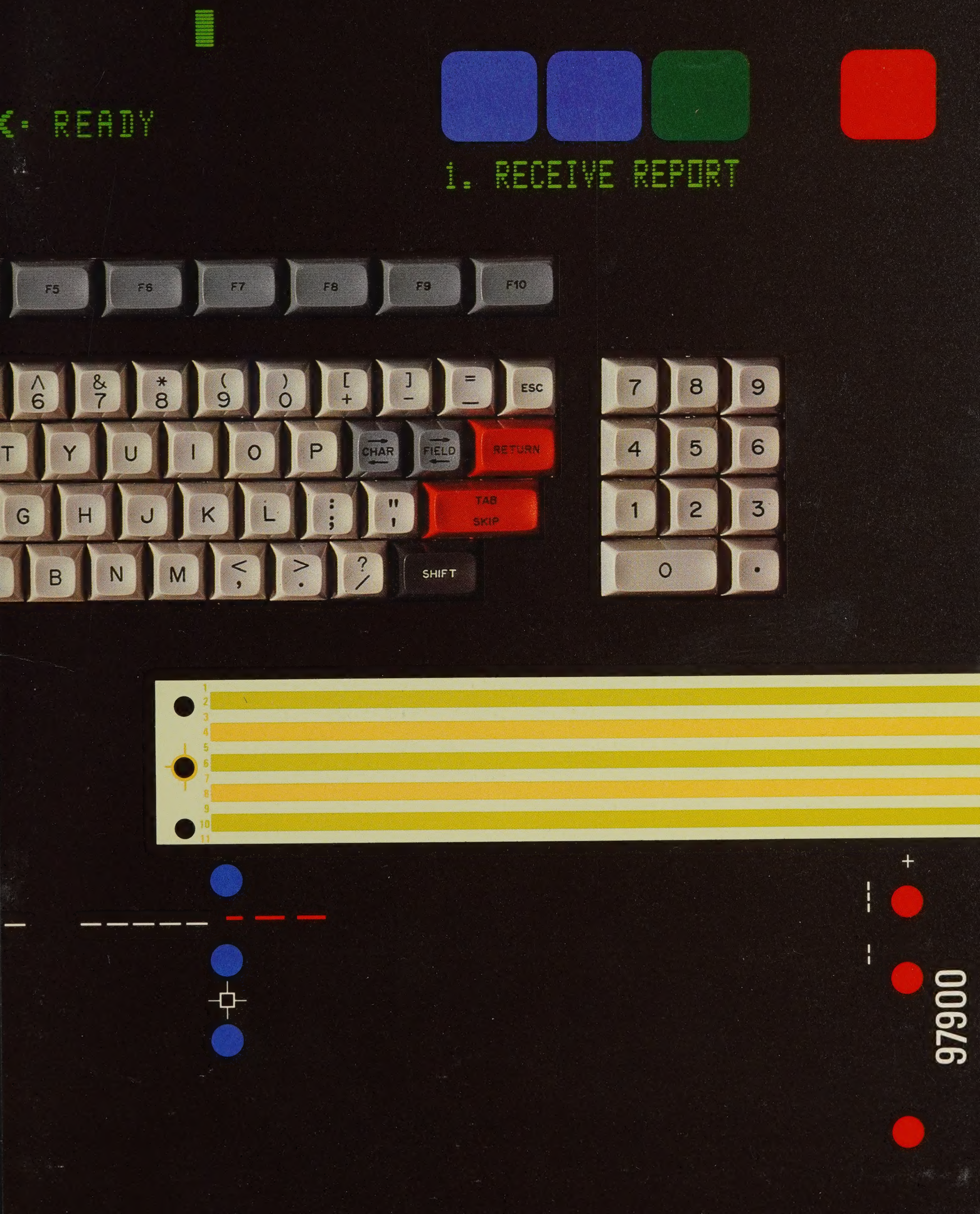
Annual Report 1979

Moore Corporation Limited



Financial Highlights

Expressed in United States currency in thousands of dollars except per dollar of sales and per share data

Moore Corporation Limited

	1979	1978
Consolidated Statement of Earnings		
Sales	**$1,541,048**	$1,323,362
Income From Operations	**192,141**	163,439
Per dollar of sales	**12.5¢**	12.4¢
Income Taxes	**98,292**	87,576
Per dollar of sales	**6.4¢**	6.6¢
Net Earnings	**104,131**	84,080
Per dollar of sales	**6.8¢**	6.4¢
Consolidated Balance Sheet		
Working Capital	**407,164**	342,027
Ratio of current assets to current liabilities	**2.9:1**	2.9:1
Capital Employed in Business	**749,309**	670,420
Return on capital employed	**14.7%**	13.0%
Shareholders' Equity	**572,232**	508,378
Return on shareholders' equity	**19.3%**	17.3%
Expenditure for Fixed Assets	**47,633**	44,836
Per Share Data		
Net Earnings	**$3.72**	$3.00
Dividends Declared	**$1.44**	$1.32
Shareholders' Equity	**$20.42**	$18.14

Contents

The Business of Moore

Moore is an international organization serving the needs of business, government and other institutions by providing products and services which facilitate the recording, communication, retention and retrieval of business information. Active in 37 countries and with 132 manufacturing plants, Moore is the largest manufacturer of business forms in the world.

Other specialized divisions provide small business computer turnkey systems; direct marketing products; custom packaging and computer graphics services.

Annual Meeting

The annual meeting of shareholders will be held at 2:00 p.m., Thursday, April 3, 1980, in Commerce Hall, Commerce Court West, (King & Bay Streets), Toronto, Canada.

Report to Shareholders

The excellent 1979 results culminate a decade of outstanding growth and achievement which further strengthened Moore's position in world markets.

Record sales and earnings were realized for a third successive year. Sales have increased in twenty-six of the last twenty-seven years. Earnings have been higher in twenty-four of the past twenty-seven years.

The 1979 gain reflects the benefits of an overall corporate plan which called for full exploitation of Moore's business strengths.

The plan, conceived in 1977, included a major realignment of operating management, increased emphasis on research and development, maximum expansion of international operations and a program to position Moore in new areas closely related to the manufacture and sale of business forms, which has been the basic business of the Corporation for almost 100 years.

Financial

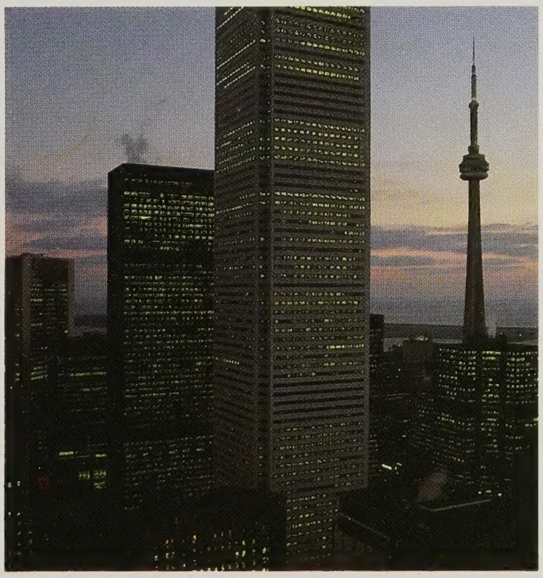
The 1979 improvement in net earnings of 23.8% exceeded the 16.4% gain in sales. Net earnings at $104.1 million were equal to $3.72 per share, and compare with $84.1 million, or $3.00 per share in 1978.

Earnings include unrealized foreign exchange gains equal to 5¢ per share (12¢ per share in 1978). Expenses relating to the development of the new Moore Business Systems Division were charged against earnings as incurred.

Record sales of $1.5 billion compare with $1.3 billion in 1978, with growth occurring in all geographic areas. Increasing emphasis on the reorganization of international business forms activities resulted in a faster rate of growth internationally than the excellent performance in the United States and Canada.

Dividends

The continued growth in earnings permitted an increase in the quarterly dividend effective April 2, 1979 to 36¢ per share giving an annualized rate of $1.44, up from the previous level of $1.32. A further



New corporate office of Moore Corporation Limited is located in 1 First Canadian Place (above), a 72-storey marble-faced tower which stands out dramatically against the Toronto skyline.

increase was approved by the Directors on February 8, 1980 when the quarterly dividend was raised to 41¢ per share commencing April 1, 1980, giving an annualized rate of $1.64. Dividends are payable in United States funds and have increased an average of 12.6% per year over the past ten years.

Business Forms
Business forms make up some 90% of total sales. Demand grew throughout the year and profit margins improved.

In the United States, Moore's largest single market, paper shortages persisted, restricting production.

Internationally, emphasis continued to be on improving market share. A larger proportion of new capital is being invested in international operations. Since the acquisition of the minority interest in Lamson Industries Limited in 1977, corporate marketing and research programs have been integrated. These activities are proving effective both in building Moore's share of the international market and in improving profitability. Efforts now are concentrated on bringing returns from international business closer to the better North American results.

Expansion continued in the production of carbonless paper, Moore Clean Print, with additional coating facilities brought on stream in Japan, Australia and the United States. Additional capacity is being added to facilities in France.

Contract marketing to large users of forms and the managed forms concept are in the early development stage as Moore continues to respond to the changing needs of world industry and business.

An Education Centre was established in the United States to centralize sales and new product training for Moore business forms representatives in North America. This centre also will provide support to international operations.

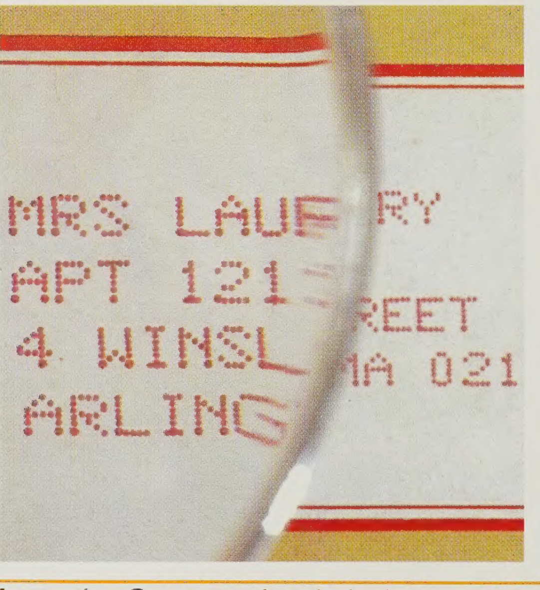
The need for forms in business continues to provide excellent opportunities for growth. Today, Moore has over 6,500 sales and marketing personnel working with one million customers in business, government and other institutions throughout the world, designing vital information collection and processing systems.

Over the past five years, some 84% of Moore's capital expenditures have been employed in providing new equipment and modern plants for the manufacture of business forms.

Moore Business Systems
A most significant 1979 development was the successful launching of Moore Business Systems. The first turnkey recordkeeping system encompassing hardware, software, service and forms, especially developed by Moore for small and medium-sized businesses was introduced in September, within nine months of the creation of this division. Today Moore Business Systems offers in the United States the advantages of a complete computer-based systems package to ten different business classifications. By 1982, this division expects to be providing more than 150 specialized computer systems to small and medium-sized businesses supported by special equipment, services, forms and other related resources and supplies of the total Moore organization.

This new business venture already is giving evidence of achieving considerable success and holds excellent promise for the long term as an integral part of the Corporation's systems approach for modern management.

Other Activities
While still accounting for a relatively small part of total sales and profits, the ideas and products developed for the direct marketing and computer graphic fields are receiving a most favourable reception in the market.



Moore's Compurite ink-jet printing (above) appears as a pattern of dots. This process is widely used in personalizing material such as direct marketing solicitations. (opposite) Small selection of the thousands of business forms created and manufactured by Moore.


N. S. TRACTORS & EQUIPMENT
PARTS SHIPPING ORDER
PICKING SLIP
Preview our Spring Shopper values at Fingerhut your dollar goes further!
Dear Preferred Customer,
T Deikel
Elegant brass candlesticks, handy wooden kitchen utensils,
a versatile travel bag plus other free gifts
...more reasons why your Fingerhut dollar goes further.
See inside cover for full details.
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Address
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This card entitles you and your family to special ticket discounts at Astroworld, Six Flags Over Texas, and all other Six Flags attractions. We honor American Express, Mastercharge, and VISA.
Details on back of card.
STATEMENT DATE
ACCOUNT NUMBER
PAYMENTS
CREDIT LINE
INTEREST

Subsequent to the year end, the United States business forms subsidiary agreed in principle to sell its printing machinery plant in Dover, New Hampshire for $17.5 million. The competitive advantage which Moore has in its business forms production equipment now lies largely in design and engineering and in today's environment, it is more efficient and economical to rely on outside vendors to fabricate equipment to Moore's specifications. This divestiture is in keeping with Moore's policy of directing capital investment into areas which focus on product and system opportunities directly related to the communication of business information.

Outlook

Economic forecasts of a recession in the United States are general. Historically the business forms industry resists such downturns. Indeed, factors are present today which point to continued growth for this industry. Management of business everywhere is stressing efficiency to ease the strain of a recession. Increased automation of offices, use of communications networks to transmit business data and a surge in the use of small computers, are important facets of these new trends in industry. These create the need for more business forms and related systems.

Also of significance is the anticipated rise in defence spending in the United States which will undoubtedly stimulate business activity generally and the forms industry especially.

A limiting influence is the shortage of capacity in the paper industry.

Some 70% of computers in use today are in large organizations. Reductions in the cost of computers, however, have made this technology an economic tool for small business concerns, thereby creating an expanding market base which is expected to grow at an accelerated rate of 45% per year world wide through 1983. The segment of this market which Moore is endeavouring to penetrate through its Business Systems Division comprises a minimum of one million small and medium-sized businesses in the United States alone.

Overall, the business forms industry is robust. The early months of 1980 indicate Moore should have another record year in sales and earnings.

The longer-term outlook is founded on the base established in the seventies. As the Ten-Year Summary shows, that decade, including acquisitions, has been truly outstanding with sales almost quadrupling, earnings and dividends nearly tripled, and there was a significant rise in shareholders' equity. The Corporation invested some $510 million over the ten-year period in planned programs to achieve this growth, meet customer needs and take advantage of new opportunities.

The reorganization of corporate and management structure, expanded marketing and research operations, the investments in new businesses, and gains in share of world markets all achieved in the seventies will be a base for continued growth in the eighties. Emphasis increasingly will be on improving profit margins and on expanding market share in fields such as computer and information services for small and medium-sized businesses where growth promises to be most rapid.

If the seventies may be considered as being characterized by the computer revolution in business, the eighties may prove to be highlighted by extension of that revolution to the many businesses which have yet to benefit from the computer era.

The Corporation's strengths and the target areas to achieve continuing growth are defined clearly to benefit Moore customers, open opportunities for its employees and provide fair returns to shareholders.

On behalf of the Board of Directors, sincere appreciation is expressed for the efforts of everyone associated with Moore which resulted in a successful 1979 and which established a solid base for continued growth.

D. W. Barr
Chairman

R. W. Hamilton
President

February 21, 1980

(opposite) D. W. Barr and R. W. Hamilton.

Moore Business Systems Building for Tomorrow

Moore Business Systems is a new name in the Moore corporate family.

This name represents a new project for Moore that grew out of the complex process of identifying, planning, developing and finally launching a business enterprise.

Moore Business Systems is a natural evolution of the Corporation's tradition of creating the most complete information systems possible to constantly improve the ability of management to manage.

New business ventures make an economy dynamic, always changing and growing by providing additional jobs, governmental support and revenues, dividends, and many other benefits for all of society.

At this stage in its development, Moore Business Systems is only an infant to be nurtured by the world-wide Moore organization. The expectation is that this infant will grow to contribute significantly to a corporate family that is almost 100 years young.

Through the innovation of business ideas and the use of know-how and resources, Moore provides opportunity for its people, and maintains a tradition of responding to the systems needs of its customers.

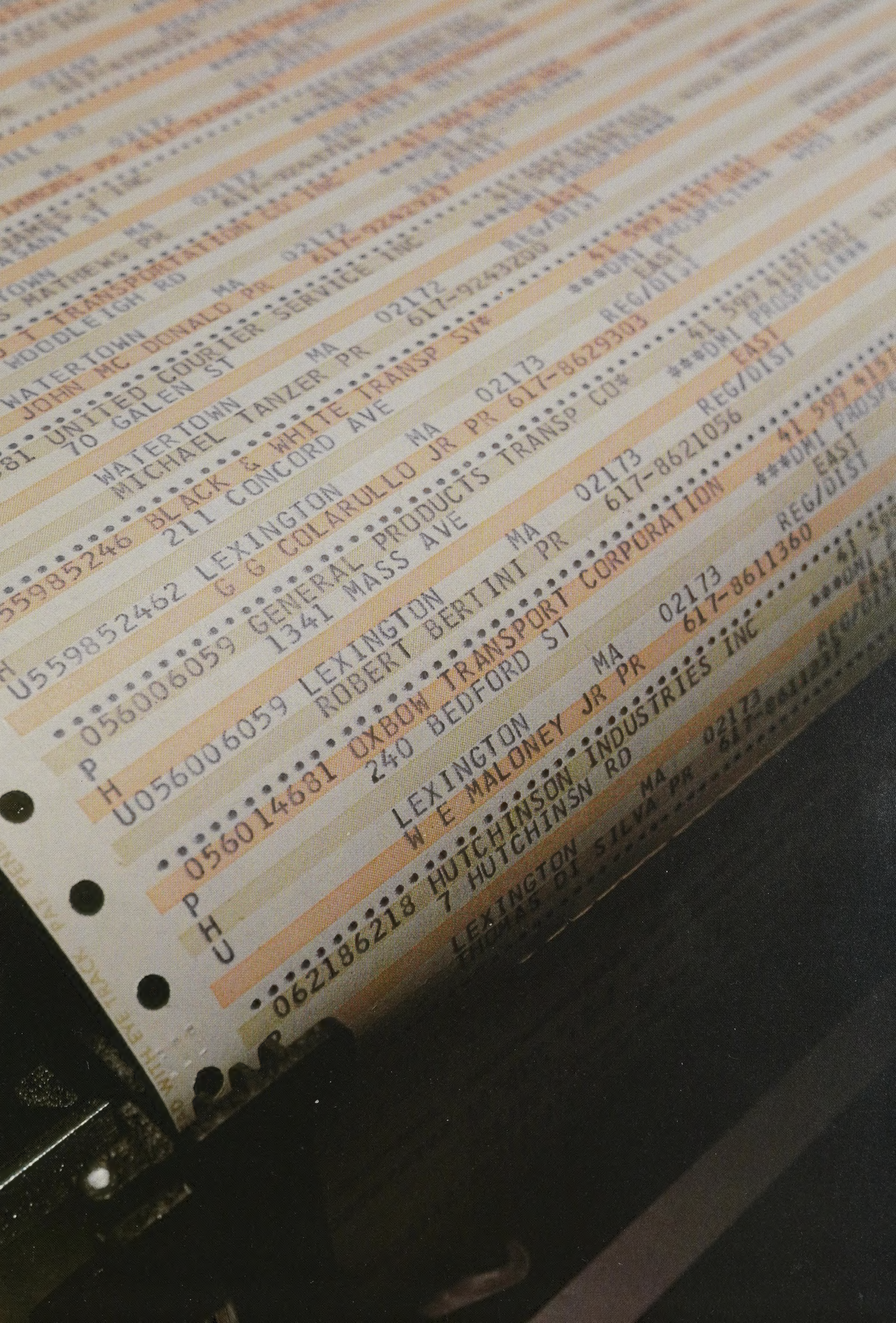
Forms–The Base to Build On

Major businesses have been served for years by highly complex and relatively high-cost computer systems. Moore Business Systems brings the advantages of the computer age to the enormous number of small and medium-sized businesses.

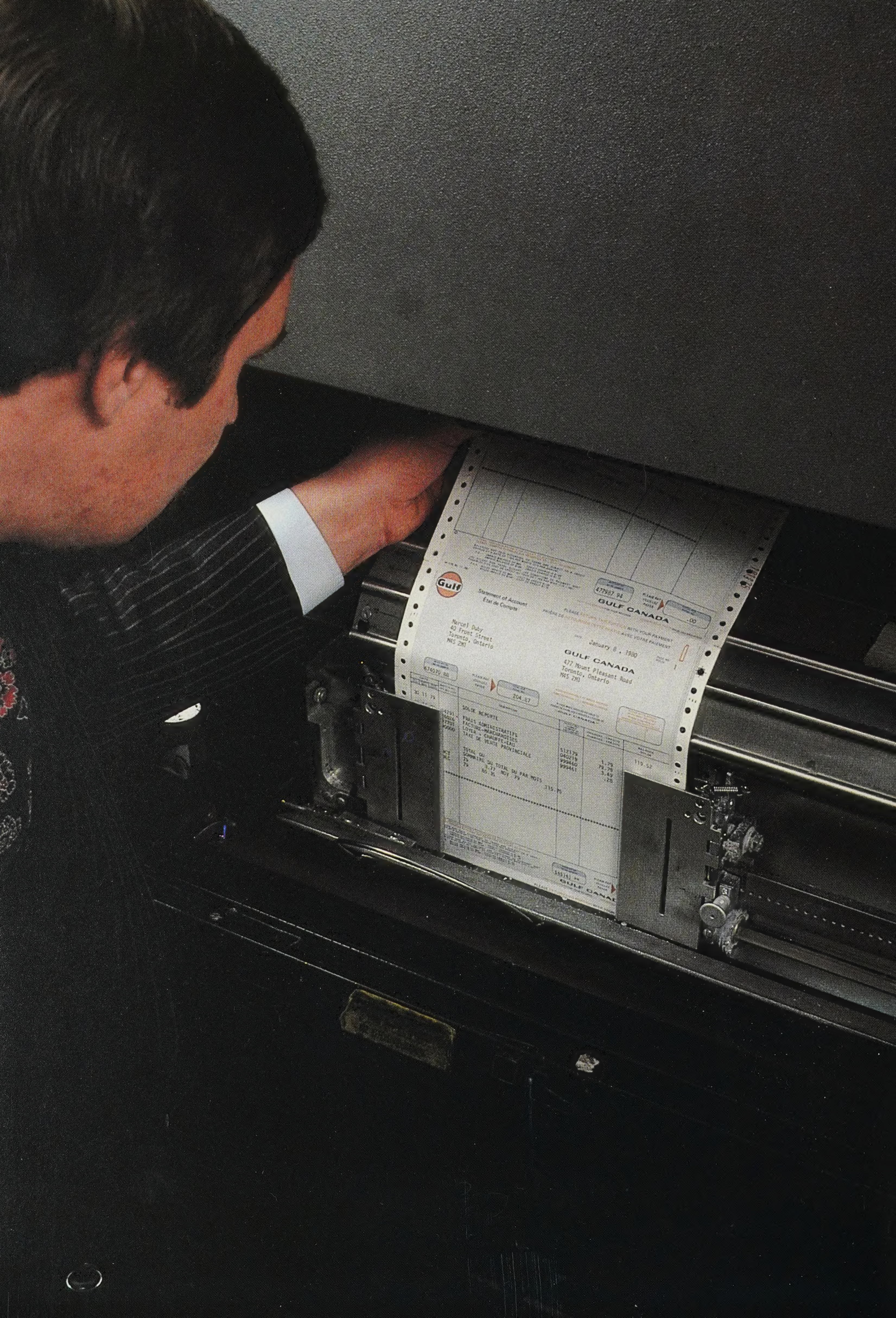
Initially concentrating in the United States, the planning and development team had available extensive information to help provide the data base to determine needs.

Moore Business Forms sales representatives have been calling on business for almost a century. Moore knows its customers' problems and methods of doing business. Forms customers know and trust Moore's products and services. This successful mutually beneficial relationship will help Moore Business Systems penetrate these markets.

Operator at keyboard of MBS 20/50 computer designed for small and medium-sized businesses (above). This new product was introduced in 1979 by Moore Business Systems. (opposite) Colour bars on patented Speediread forms provide an "eye track" for ease and accuracy in reading.



JOHN MC DONALD PR
UNITED COURIER SERVICE INC
70 GALEN ST
WATERTOWN MA 02172
MICHAEL TANZER PR
BLACK & WHITE TRANSP SV*
211 CONCORD AVE
LEXINGTON MA 02173
G G COLARULLO JR PR 617-8629303
U559852462
056006059 GENERAL PRODUCTS TRANSP CO*
1341 MASS AVE
617-8621056
056006059 LEXINGTON MA 02173
ROBERT BERTINI PR
U056006059
056014681 OXBOW TRANSPORT CORPORATION
240 BEDFORD ST
LEXINGTON MA 02173
W E MALONEY JR PR 617-8611360
062186218 HUTCHINSON INDUSTRIES INC
7 HUTCHINSN RD
REG/DIST
EAST


Gulf
Statement of Account
État de Compte
GULF CANADA
GULF CANADA
Toronto, Ontario
Toronto, Ontario

The Moore Objective
Moore Business Systems is an important extension of Moore's in-depth experience in providing knowledge and materials to meet the information needs of business, government and other important institutions in the modern world.

That philosophy when applied by Moore Business Systems becomes a standard information system serving over 150 vertical market segments. Each segment of this broad market base is analyzed for its specific problems so that a specially designed program can be developed for the smaller businesses in that segment.

The objective is to make available a vocationalized product aimed at a very broad market base.

The Business System
Computers are not mystery machines, but are valuable business tools. They essentially collect, store, analyze and deliver information almost instantaneously.

A computer-based business system consists of two major parts–the physical machine (sometimes referred to as the "hardware") and the invisible but important knowledge base (the "software") which directs the machinery to perform useful functions.

Individual enterprises collect and use different kinds of information. However, businesses active in a market segment will tend to have certain common requirements.

Moore Business Systems defines these areas of common concern and provides a compact package of equipment and knowledge–of hardware and software–to meet those needs.

This unique approach of providing a complete management tool for the largest possible number of businesses results in a favourable cost structure.

The Launching
The first Moore Business Systems MBS 20/50 was introduced at the 1979 annual workshop of the American Trucking Association in Washington, D.C. The target market: owners of 10 to 150 trucks in a motor freight industry that is noted for the large number of small and ruggedly independent businesses.

After months of detailed research and development, Moore Business Systems identified the major concerns and problems of small trucking businesses, and developed software to meet those needs.

Computer systems especially designed and developed for other business and industry segments are now being produced in a steady stream. At any given moment about 25 customized systems are in some stage of development.

By the end of 1979, 10 market segment applications had been introduced. By the end of 1980, 40 to 50 systems applications will have been launched. The broad goal is to have over 150 different specialized programs by 1982.

The Equipment
"MBS 20/50" is a typical designation in the short-form language of the computer era to describe the rapidly growing line of products being introduced throughout U.S. industry by Moore Business Systems.

The mini-computer equipment consists of a computer with a typewriter-style keyboard and calculator key pad, a video display screen, and a memory unit using floppy discs for data storage. An auxiliary printer completes the system.

Moore, through its business systems and business forms divisions, provides:

- the software information pre-programmed or placed in the computer in advance of use by the customer;
- training for the individuals operating the equipment;
- back-up service;
- related forms and supplies.

Everything the Moore system needs–hardware, supplies, forms, software and service–is offered from one source, a major benefit.

Speediset forms for typewriter or handwritten applications (above) contrast with specially designed continuous forms for use on high-speed computers (opposite).

Review of Operations

Expressed in United States currency

Consolidated Statement of Earnings

In 1979, consolidated sales were $1,541.0 million compared with $1,323.4 million in 1978, an increase of $217.6 million or 16.4%. A comparative analysis of sales by product and geographic area follows:

Sales by product: (millions)	1979		1978	
Business forms and related products	**$1,390.5**	**90%**	$1,188.0	90%
Custom packaging	**73.7**	**5**	74.0	6
Other products	**76.8**	**5**	61.4	4
	$1,541.0	**100%**	$1,323.4	100%
Sales by geographic area: (millions)				
North America				
United States	**$ 982.3**	**64%**	$ 850.7	64%
Canada	**135.6**	**9**	119.1	9
International				
Continental Europe	**198.2**	**13**	160.4	12
Great Britain	**95.7**	**6**	83.0	7
Australasia	**57.1**	**4**	51.1	4
Latin America and the Caribbean	**53.9**	**3**	43.0	3
Other countries	**18.2**	**1**	16.1	1
	$1,541.0	**100%**	$1,323.4	100%

Certain operations in Great Britain were discontinued in 1978. Sales of continuing operations at $95.7 million were 25.3% over the comparable 1978 level.

Net earnings of $104.1 million or $3.72 per share compare with $84.1 million or $3.00 per share in 1978, an increase of 23.8%.

Despite high rates of inflation in many of the geographic areas in which the Corporation has operations and steadily increasing operating costs, the operating margin improved in 1979 from 1978. In the United States, business forms operations were affected adversely by paper shortages in the early months of 1979 and, in addition, costs associated with the new Moore Business Systems Division formed in December 1978 were absorbed as incurred against earnings. Furthermore, income from operations of the Corporation's packaging subsidiaries was below 1978 due to a prolonged strike in Canada and depressed market conditions in the United States.

The distribution of the Corporation's sales and income from operations between its North American (Canada and United States) and International operations is shown below: (millions)

	Sales		Income from Operations	
	1979	1978	**1979**	1978
North America	**$1,117.9**	$ 969.8	**$166.8**	$143.1
International	**423.1**	353.6	**36.9**	30.0
	1,541.0	1,323.4	**203.7**	173.1
Interest and goodwill			**11.6**	9.7
	$1,541.0	$1,323.4	**$192.1**	$163.4

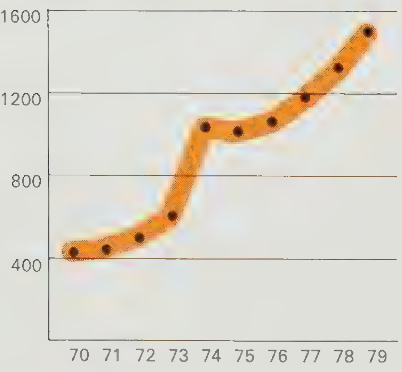
The effect of discontinued operations on sales and income from operations was immaterial.

Investment and other income totalling $10.2 million, an increase of $2.4 million over 1978, consists mainly of interest earned on short-term securities and the Corporation's share of earnings of companies in which it has less than a 50% equity interest. This income in 1979 also includes $0.8 million of discount earned on the purchase in the open market of $5.3 million Cdn. of the Corporation's 6% Convertible Subordinated Debentures.

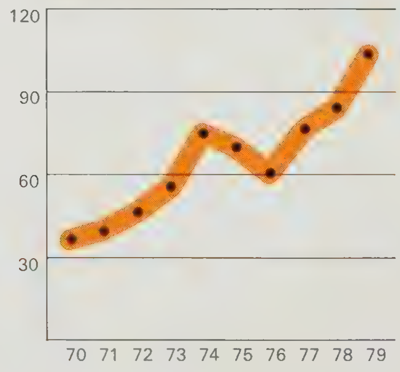
Provision for income taxes in 1979 is 48.6% of pre-tax earnings compared with 51.1% in 1978. The 1979 reduction in the ratio of income tax to pre-tax earnings is due mainly to a lower corporate tax rate in the United States and to changes in United Kingdom tax legislation allowing the release of previously deferred taxes arising from stock relief claims.

Fluctuations in the rates of exchange between the United States dollar and the currencies of countries in which the Corporation conducts operations, produced an unrealized foreign exchange gain in 1979 of $1.3 million or 5¢ per share compared with a gain of $3.4 million or 12¢ per share in 1978. The Corporation's accounting policy with respect to the translation of

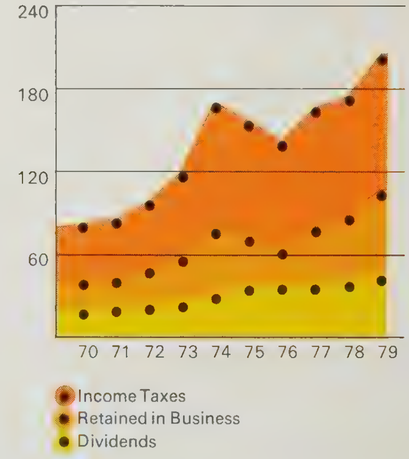
Sales
Millions of dollars



Net Earnings
Millions of dollars



Distribution of Earnings
Millions of dollars



foreign currencies is described in note 1 of the notes to consolidated financial statements.

There were no extraordinary items in 1979. Extraordinary items, described in note 10 of the notes to consolidated financial statements, reduced 1978 earnings by $1.6 million or 6¢ per share.

Consolidated Balance Sheet

The consolidated balance sheet continues to reflect the strong financial position maintained by the Corporation.

Working capital at December 31, 1979 of $407.2 million was $65.1 million greater than at December 31, 1978. The ratio of current assets to current liabilities was maintained at 2.9:1.

Within working capital, inventories in 1979 increased $59.1 million or 31.4% reflecting the impact of inflation and a need to rebuild inventories following labour problems experienced by paper mills in the United States during the latter part of 1978 and early 1979 creating a general shortage of paper and a below normal inventory level at the end of 1978. Accounts receivable increased by $53.5 million or 19.9%, reflecting the growth achieved by the Corporation and the result of a general slowdown in customer remittances due to high interest rates.

Factors contributing to the change in working capital are listed in the consolidated statement of changes in financial position.

Fixed assets purchased in 1979 totalled $47.6 million compared with $44.8 million in 1978. A comparative summary by geographic area of the expenditures for land and buildings and machinery and equipment follows: (millions)

	Land & Buildings		**Machinery & Equipment**	
	1979	1978	**1979**	1978
United States	**$ 4.2**	$ 7.6	**$17.4**	$15.0
Canada	**2.5**	.1	**1.6**	1.5
Continental Europe	**2.9**	4.6	**8.6**	6.8
Great Britain	**.4**	.2	**1.8**	1.2
Australasia	**.8**	3.0	**3.0**	2.2
Latin America and the Caribbean	**2.0**	.2	**2.0**	1.8
Other countries	**—**	.3	**.4**	.3
	$12.8	$16.0	**$34.8**	$28.8

The 1979 return on capital employed in the Corporation's operations was 14.7% compared with 13.0% for 1978.

The 1979 return on shareholders' equity was 19.3% compared with 17.3% for 1978.

Consolidated Statement of Retained Earnings

The quarterly dividend was maintained at 36¢ per share throughout 1979. Dividends for the year totalled $40.4 million compared with $37.0 million in 1978, an increase of $3.4 million or 9.2%.

Acquisitions and Investments

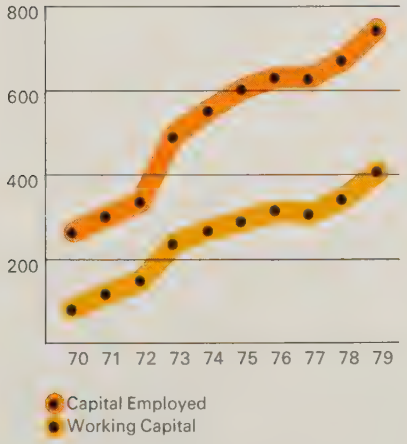
In February 1979, Moore Business Forms, Inc., the Corporation's principal United States subsidiary, acquired all of the shares of Klein & Rupnik Associates Inc., in Albany, New York for $0.7 million. Subsequently this subsidiary was merged into Moore Business Forms, Inc. and operates as part of the International Graphics Division.

Formularios y Procedimientos Moore, S.A., an associated company in Venezuela, increased its capitalization to partially finance the acquisition of a new facility to house the company's manufacturing operations. The Corporation invested an additional $0.4 million to maintain its equity interest in the company at 49%.

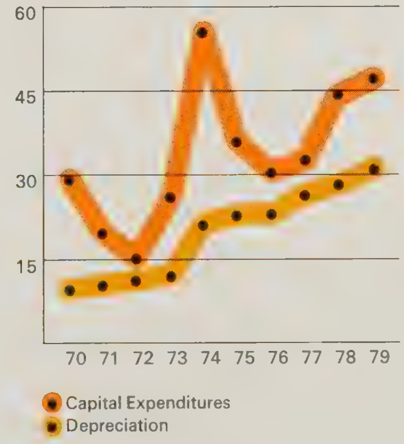
Distribution of Revenue

	1979	1978
Sales and investment and other income	**100.0%**	100.0%
Used as follows:		
Wages, salaries and employee benefits	**32.2**	33.3
Materials, supplies and services	**51.8**	50.8
Depreciation	**2.0**	2.2
Income, property and other taxes	**7.3**	7.5
Allocated to minority interests	**.1**	.1
Unrealized foreign exchange adjustments	**(.1)**	(.3)
Extraordinary items	**—**	.1
Dividends	**2.6**	2.8
Retained in business	**4.1**	3.5

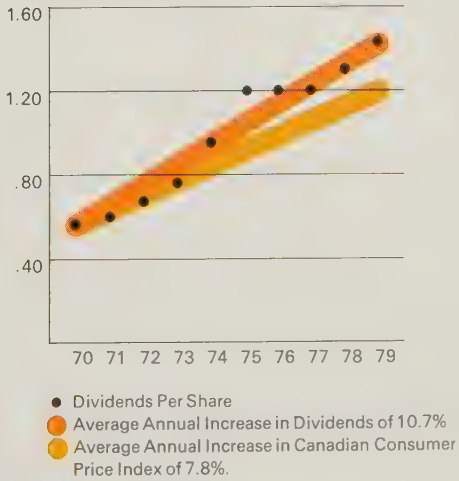
Capital Employed and Working Capital
Millions of dollars



Capital Expenditures and Depreciation
Millions of dollars



Dividends Declared Per Share
Dollars per share



Consolidated Balance Sheet

As at December 31
Expressed in United States currency
in thousands of dollars

Assets

	1979	1978
Current Assets		
Cash	$ 13,521	$ 12,754
Short-term securities, at cost which is approximate market value	36,139	45,029
Accounts receivable	322,396	268,945
Inventories	247,506	188,366
Prepaid expenses	6,392	5,911
Total Current Assets	625,954	521,005
Fixed Assets		
Land	19,098	20,055
Buildings	137,381	127,265
Machinery and equipment	398,691	372,297
	555,170	519,617
Less: Accumulated depreciation	246,086	221,577
	309,084	298,040
Investment in Associated Corporations (Note 2)	14,608	11,530
Other Assets (Note 3)	18,453	18,823
	$ 968,099	$ 849,398

Moore Corporation Limited

Liabilities

	1979	1978
Current Liabilities		
Bank loans	$ 25,855	$ 16,561
Accounts payable and accruals	153,495	128,295
Dividends payable	10,088	9,247
Accrued income taxes	29,352	24,875
Total Current Liabilities	218,790	178,978
Long-Term Debt (Note 4)	111,291	96,614
Deferred Income Taxes and Liabilities (Note 5)	55,598	55,863
Equity of Minority Shareholders in Subsidiary Corporations	10,188	9,565
	395,867	341,020

Shareholders' Equity

	1979	1978
Common Shares (Note 6)		
Authorized: 40,000,000 shares without par value		
Issued: 28,023,146 shares (28,020,646 shares in 1978)	33,253	33,178
Retained Earnings	538,979	475,200
	572,232	508,378
	$ 968,099	$ 849,398

Approved by the Board of Directors:

Director   Director

Consolidated Statement of Earnings

For the year ended December 31
Expressed in United States currency
in thousands of dollars
except earnings per share

Moore Corporation Limited

	1979	1978
Sales	**$1,541,048**	$1,323,362
Cost of sales, selling and administrative expenses	**1,317,831**	1,131,091
Depreciation	**31,076**	28,832
	1,348,907	1,159,923
Income from operations	**192,141**	163,439
Investment and other income	**10,244**	7,795
Earnings before income taxes, minority interests, unrealized foreign exchange adjustments and extraordinary items	**202,385**	171,234
Income taxes (Note 5)	**98,292**	87,576
Minority interests	**1,271**	1,355
Earnings before unrealized foreign exchange adjustments and extraordinary items	**102,822**	82,303
Unrealized foreign exchange adjustments	**1,309**	3,425
Earnings before extraordinary items	**104,131**	85,728
Extraordinary items (Note 10)	**—**	1,648
Net Earnings	**$ 104,131**	$ 84,080
Earnings Per Share (Note 8)		
Before extraordinary items	**$3.72**	$3.06
After extraordinary items	**$3.72**	$3.00

Consolidated Statement of Retained Earnings

For the year ended December 31
Expressed in United States currency
in thousands of dollars

	1979	1978
Balance at beginning of year	**$ 475,200**	$ 448,145
Net earnings	**104,131**	84,080
	579,331	532,225
Dividends $1.44 per share ($1.32 per share in 1978)	**40,352**	36,987
Excess of cost of shares cancelled over their stated value	**—**	20,038
Balance at End of Year	**$ 538,979**	$ 475,200

Consolidated Statement of Changes in Financial Position

For the year ended December 31
Expressed in United States currency
in thousands of dollars

	1979	1978
Sources of Working Capital		
Earnings before extraordinary items	**$ 104,131**	$ 85,728
Items not requiring current outlays of working capital, principally depreciation, deferred income taxes and minority interests	**34,069**	35,130
Working capital from operations	**138,200**	120,858
Additions to long-term debt	**23,144**	10,235
Sale of fixed assets	**5,648**	5,103
United Kingdom Advance Corporation Tax	—	2,246
Other sources	**186**	634
	167,178	139,076
Applications of Working Capital		
Expenditure for fixed assets	**47,633**	44,836
Dividends	**40,352**	36,987
Deferred pension liability	—	6,553
Reductions in long-term debt	**10,117**	4,360
Investment in subsidiary corporations net of working capital acquired	**649**	2,879
Tax arising on cancellation of shares of the Corporation held by a subsidiary	—	2,789
Investment in associated corporations	**398**	1,208
Deferred charges	**905**	935
Extraordinary items	—	819
Dividends paid by subsidiaries to minority interests	**530**	577
United Kingdom Advance Corporation Tax	**173**	—
Other applications	**1,284**	755
	102,041	102,698
Increase in Working Capital	**65,137**	36,378
Working Capital at Beginning of Year	**342,027**	305,649
Working Capital at End of Year	**$ 407,164**	$ 342,027

Note 1
Summary of Accounting Policies

Principles of Consolidation:
Moore Corporation Limited is incorporated under the laws of the Province of Ontario, Canada.

The consolidated financial statements include the accounts of Moore Corporation Limited and all of its subsidiary corporations and are prepared in accordance with accounting principles generally accepted in Canada.

Translation of foreign currencies:
The consolidated financial statements are expressed in United States currency because the greater part of the net assets and earnings are located or originate in the United States. Canadian and other currencies have been translated into United States currency on the following bases:

Current assets, current liabilities, pension liabilities, long-term receivables and long-term debt, at the year-end rates of exchange;

All other assets, liabilities, accumulated depreciation and related charges against earnings and share capital, at historical rates of exchange;

Income and expenses, other than depreciation, at average exchange rates during the year.

Net unrealized losses arising on translation of foreign currencies are charged to earnings. Net unrealized gains are deferred and included in accounts payable and accruals to the extent they exceed any losses previously charged to earnings.

Realized exchange gains or losses are included in earnings.

Inventories:
Inventories of raw materials and work in process are valued at the lower of cost and replacement cost and inventories of finished goods at the lower of cost and net realizable value. The cost of the principal raw material inventories and the raw material content of finished goods inventories in Canada and the United States is determined on the last-in, first-out basis. The cost of all other inventories is determined on the first-in, first-out basis.

Fixed assets and depreciation:
Fixed assets are stated at historical cost after deducting investment tax credits and other grants on eligible capital assets. Depreciation is provided on a basis that will amortize the cost of depreciable assets over their estimated useful lives using the straight-line method.

The estimated useful lives of buildings range from 20 to 50 years and of machinery and equipment from 5 to 17 years.

Gains or losses on the disposal of fixed assets are included in earnings and the cost and accumulated depreciation related to these assets are removed from the accounts.

Investment in associated corporations:
The Corporation accounts for its investment in associated corporations by the equity method.

Goodwill:
Goodwill represents the net excess of the cost of shares in subsidiaries over the book value of their net assets at date of acquisition, less the portion thereof allocated to tangible assets, and is being amortized by the straight-line method over a period of forty years.

Amortization of deferred costs:
Deferred debenture costs are amortized over a ten-year period and deferred production engineering costs are amortized over varying periods not exceeding five years.

Income taxes:
The Corporation accounts for income taxes on the tax allocation basis which relates income taxes to the accounting income for the year.

The Corporation takes into consolidated earnings the reduction in United Kingdom income taxes resulting from the release of previously recorded deferred income taxes arising from United Kingdom stock relief claims when there is reasonable assurance that a prior year's stock relief claim will not become taxable in the future.

The Corporation provides for withholding taxes on the undistributed earnings of subsidiaries only if plans exist to declare dividends in the future which would be in excess of a subsidiary's anticipated future earnings. In the absence of this condition, existing retained earnings are considered to have been reinvested indefinitely by the subsidiaries.

Note 2
Investment in Associated Corporations

(In thousands)	**1979**	1978
Toppan Moore Company, Ltd. (45% owned)	**$ 12,377**	$ 9,942
Moore Business Forms de Centro America, S.A. (49% owned)	**1,212**	1,171
Formularios y Procedimientos Moore, S.A. (49% owned)	**1,019**	417
	$14,608	$11,530

During 1979, the Corporation subscribed for additional shares of Formularios y Procedimientos Moore, S.A., at a cost of $398,000, thereby maintaining its equity interest at 49%.

Note 3

Other Assets

Other assets include goodwill, less amortization, amounting to $10,043,000 (1978–$10,406,000).

Note 4

Long-Term Debt

(In thousands)	**1979**	1978
Moore Corporation Limited		
6% Convertible Subordinated Debentures due 1994 ($44,709,000 Cdn.; 1978–$50,000,000 Cdn.)	**$ 38,324**	$42,166
Eurocurrency bank loan repayable in 1982 bearing interest at ⅝ of 1% over the London Interbank Offering rate existing from time to time	**13,700**	12,903
3,500,000 Pounds sterling		
13,342,000 French francs		
5,000,000 Dutch florins		
Other loans bearing interest at 7% to 9% due 1983 to 1987	**1,339**	825
Moore Business Forms, Inc.		
7.90% Senior Notes due 1996	**20,000**	20,000
Industrial Development Revenue Bonds bearing interest at 6.85% to 9.5% due 2004	**7,350**	—
6.75% Promissory Note due 1986	**2,241**	2,535
Other loans bearing interest at 8% to 9.5% due 1981 to 1989	**679**	562
Capital lease commitments	**923**	1,202
Moore Paragon S.A.—France		
Bank and other loans payable in French francs bearing interest at 8.25% to 11% due 1981 to 1993 Loans amounting to $5,956,000 (1978—$3,971,000) are secured	**9,822**	7,559
Moore Business Systems Australia Limited		
10.3% secured Debentures payable in Australian dollars due 1983	**3,324**	3,448
Other secured loans payable in Australian and New Zealand dollars bearing interest at 5% to 10% due 1981 to 1992	**2,053**	1,324
Moore Paragon Ges. m.b.H.—Austria		
Bank loans payable in Austrian schillings bearing interest at 5% to 8.5% due 1982 to 1989. Loans amounting to $1,225,000 (1978—$94,000) are secured	**4,042**	94
F. N. Burt Company, Inc.		
6.5% Industrial Development Revenue Bonds due 2004	**3,500**	—
Other Subsidiaries		
Secured loans	**1,146**	435
Unsecured loans	**2,848**	3,561
	$111,291	$96,614

The 6% Convertible Subordinated Debentures are convertible at any time until April 1, 1984 into common shares at a rate of 17 shares per $1,000 Cdn. principal amount of debentures. Under certain circumstances debentures are redeemable or can be purchased in the market by the Corporation in accordance with the provisions and sinking fund requirements specified in the trust agreement. The trust agreement provides for a sinking fund, in respect of the retirement of the debentures, to commence in 1985. The principal amount of the debentures purchased by the Corporation in 1979 satisfies the sinking fund obligations for the years 1985 to 1987 inclusive.

The Promissory Note is secured by mortgages on certain properties.

The long-term debt of other subsidiaries bears interest at rates ranging from 6.25% to 18.5%. These debts mature on varying dates up to 1989. Loans amounting to $1,866,000 are payable in currencies other than United States dollars and loans of $1,146,000 are secured by assets of 4 subsidiaries.

Payments of $3,793,000 at December 31, 1979 and $2,307,000 at December 31, 1978 on long-term debt due within one year are included in current liabilities.

For the years 1981 through 1984 payments required on long-term debt are as follows: 1981–$4,465,000; 1982–$17,750,000; 1983–$9,562,000; 1984–$3,913,000.

Note 5

Deferred Income Taxes and Liabilities

Deferred income taxes amount to $47,760,000 at December 31, 1979 and $48,825,000 at December 31, 1978. Deferred liabilities include $6,440,000 (1978–$5,568,000) for pensions under unfunded retirement plans of certain overseas subsidiaries (Note 7).

Deferred income taxes include $2,277,000 (1978–$2,129,000) relating to United Kingdom stock relief claimed in the current and prior years which, following a change during 1979 in the United Kingdom stock relief legislation, may be taken into consolidated earnings in future years if at that future time there is reasonable assurance that these amounts will not become payable. In 1979, as a result of this change in legislation, deferred income taxes were reduced by $1,375,000 representing the release of deferred tax arising from United Kingdom stock relief claims to the end of 1977.

Note 6
Common Shares
On May 8, 1979, under the terms of the Executive Stock Option Plan, options were granted to certain employees to purchase 46,000 shares of the Corporation. Options expire on various dates not more than ten years from the dates granted, and the option price per share is the market value on the date of the grant. Options granted in 1976 to purchase 50,000 shares at a price per share of $34.94 Cdn. and options granted in 1979 to purchase 46,000 shares at a price per share of $37.94 Cdn. were outstanding at December 31, 1979.

During 1979, 2,500 shares were issued to holders of options for a cash consideration of $75,000.

By Articles of Amendment dated April 12, 1979, the authorized share capital of the Corporation was increased from 31,279,264 to 40,000,000 common shares. As required by the provisions of the trust agreement relating to the 6% Convertible Subordinated Debentures, 760,000 authorized shares are reserved to meet the conversion privilege of the debentures.

Note 7
Retirement Plans
Based on the latest reports of independent consulting actuaries on the Corporation's United States and Canadian retirement plans, all vested benefits are fully funded and it is estimated that the obligations for pension benefits expected to accrue and vest in the future, which are related to prior service, approximate $87,000,000 as at December 31, 1979 (1978–$75,800,000). Consistent with preceding years, these obligations will be recorded in the accounts and funded by annual payments over periods not exceeding thirty years.

Effective November 7, 1977, a special supplementary pension plan was established under which eligible employees in the United States and Canada were given the opportunity to elect early retirement by the end of that year. The maximum obligation remaining under this plan is $6,795,000 which will be recorded and paid during the years 1980 and 1981. In 1979, $4,055,000 was paid and recorded as pension expense (1978–$4,291,000).

Funded contributory retirement plans are available for employees in some of the international subsidiaries and current service costs under these plans are being charged to earnings and funded annually. In other international subsidiaries, where either state or funded retirement plans exist, there are certain small supplementary unfunded plans.

Pensionable service prior to establishing funded contributory retirement plans in some international subsidiaries, covered by former discretionary non-contributory retirement plans, was assumed as a prior service obligation. The deferred liability for pensions at December 31, 1979, referred to in Note 5, relates primarily to the unfunded portion of this prior service obligation.

Note 8
Earnings and Fully Diluted Earnings Per Share
The earnings per share calculations are based on the weighted average of the shares outstanding during the year.

If it were assumed that at the beginning of the year the 6% Convertible Subordinated Debentures had been converted into shares and all outstanding stock options had been exercised with the funds derived therefrom yielding an annual return of 6% net of tax, the earnings per share for the year would have been $3.65 (1978–$2.95).

Note 9
Consolidated Statement of Earnings
The consolidated statement of earnings includes the following:

(In thousands)	**1979**	1978
Remuneration paid to directors and senior officers	**$ 1,136**	$ 954
Pension plan expense	**19,963**	17,350
Interest on long-term debt	**8,798**	6,791
Other interest expense	**2,460**	2,679
Research and development expense	**14,466**	10,120
Amortization of deferred production engineering costs	**572**	703
Amortization of deferred debenture costs	**211**	130
Amortization of goodwill	**363**	340
Deferred income taxes	**(126)**	4,372
Equity in earnings of associated corporations	**3,518**	2,339
Discount earned on redemption of 6% Convertible Subordinated Debentures	**785**	—

Note 10
Extraordinary Items

(In thousands)	**1979**	1978
Loss arising from the phasing out of certain operations, net of income tax of $424,000	$ —	$1,060
Provision for settlement by F. N. Burt Company, Inc. of antitrust class actions, net of income tax of $407,000	—	1,543
Excess of insurance proceeds over net book value of assets destroyed by fire in Austria	—	(955)
	$ —	$1,648

Note 11
Litigation
In September 1979, the Court approved the settlements in respect of the class action arising from the 1976 indictment in a Federal antitrust proceeding in the United States of twenty-three folding carton manufacturers including F. N. Burt Company, Inc., a wholly-owned subsidiary of the Corporation. The settlement by F. N. Burt Company, Inc. was fully provided in the accounts of the Corporation in 1978.

Based upon the same charges seventeen private treble damage suits are pending, on behalf of plaintiffs which excluded themselves from the class action, against the indicted companies and several other folding carton manufacturers. In the current stage of proceeding in these damage suits and because of the uncertainty inherent in litigation of this type, the ultimate cost to F. N. Burt Company, Inc. of the disposition of these cases or their settlement is presently not determinable. Management anticipates that the eventual disposition of these lawsuits will not involve liability to F. N. Burt Company, Inc. which would be material to the business or the financial position of the Corporation.

Management's Statement on Financial Reporting

The accompanying consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada.

The Corporation maintains a system of internal control which is designed to provide reasonable assurance that assets are safeguarded and that reliable financial records are maintained.

The financial statements have been examined by the Corporation's independent auditors, Price Waterhouse & Co., and their report is included herein.

The Audit Committee of the Board of Directors is composed entirely of outside directors and meets periodically with the Corporation's independent auditors, management, and the Corporation's Internal Auditor to discuss the results of audit examinations with respect to adequacy of internal accounting controls and financial reporting of the Corporation.

Auditors' Report

To the Shareholders of
Moore Corporation Limited:

We have examined the consolidated balance sheet of Moore Corporation Limited as at December 31, 1979 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation as at December 31, 1979 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Price Waterhouse & Co.
Chartered Accountants

Toronto, Ontario
February 21, 1980

Ten-Year Summary

Expressed in United States currency in thousands of dollars except per dollar of sales and per share data

Income Statistics

	1979	1978	1977
Sales	**$1,541,048**	$1,323,362	$1,183,890
Income from operations	**192,141**	163,439	158,894
Per dollar of sales	**12 .5¢**	12.4¢	13.4¢
Income taxes	**98,292**	87,576	86,862
Per dollar of sales	**6.4¢**	6.6¢	7.3¢
Earnings before extraordinary items	**104,131**	85,728	77,825
Per dollar of sales	**6.8¢**	6.5¢	6.6¢
Per share	**$3.72**	$3.06	$2.78
Net earnings	**104,131**	84,080	76,792
Per dollar of sales	**6.8¢**	6.4¢	6.5¢
Per share	**$3.72**	$3.00	$2.74
Dividends	**40,352**	36,987	33,624
Per share	**$1.44**	$1.32	$1.20
Earnings retained in business	**63,779**	47,093	43,168

Balance Sheet and Other Statistics

	1979	1978	1977
Current assets	**$ 625,954**	$ 521,005	$ 501,685
Current liabilities	**218,790**	178,978	196,036
Working capital	**407,164**	342,027	305,649
Ratio of current assets to current liabilities	**2.9 to 1**	2.9 to 1	2.6 to 1
Fixed assets (net)	**309,084**	298,040	289,976
Shareholders' equity	**572,232**	508,378	464,074
Per share	**$20.42**	$18.14	$16.56
Number of shareholders	**18,547**	19,993	20,059
Number of employees	**28,317**	26,748	27,045

Moore Corporation Limited

1976	1975	1974	1973	1972	1971	1970
$1,053,241	$1,005,610	$1,032,192	$ 607,129	$ 499,400	$ 448,944	$ 431,841
142,427	154,607	168,597	111,104	92,535	82,180	78,224
13.5¢	15.4¢	16.3¢	18.3¢	18.5¢	18.3¢	18.1¢
77,688	83,597	91,825	60,407	49,429	43,886	42,032
7.4¢	8.3¢	8.9¢	9.9¢	9.9¢	9.8¢	9.7¢
61,633	69,512	72,725	54,896	46,022	39,822	37,531
5.9¢	6.9¢	7.0¢	9.0¢	9.2¢	8.9¢	8.7¢
$2.20	$2.48	$2.60	$1.93	$1.62	$1.40	$1.32
60,421	69,512	74,725	55,760	46,022	39,822	37,531
5.7¢	6.9¢	7.2¢	9.2¢	9.2¢	8.9¢	8.7¢
$2.16	$2.48	$2.67	$1.96	$1.62	$1.40	$1.32
33,624	33,621	26,894	21,970	19,199	17,056	16,326
$1.20	$1.20	96.0¢	77.5¢	67.5¢	60.0¢	57.5¢
26,797	35,891	47,831	33,790	26,823	22,766	21,205

1976	1975	1974	1973	1972	1971	1970
$ 452,975	$ 424,105	$ 443,393	$ 346,328	$ 206,953	$ 162,056	$ 150,839
137,232	136,386	181,317	116,719	53,889	43,539	63,379
315,743	287,719	262,076	229,609	153,064	118,517	87,460
3.3 to 1	3.1 to 1	2.4 to 1	3.0 to 1	3.8 to 1	3.7 to 1	2.4 to 1
285,312	287,589	277,362	246,399	152,813	149,675	142,146
424,139	397,278	358,398	310,020	288,652	261,569	238,228
$15.14	$14.18	$12.79	$11.07	$10.15	$9.20	$8.39
20,036	20,198	20,668	21,303	21,537	22,326	23,636
25,964	26,279	29,535	28,760	16,431	15,783	16,630

Board of Directors

David W. Barr
Toronto
Chairman of the Board

Edward H. Crawford
Toronto
President, The Canada Life Assurance Company

James D. Farley
New York, N.Y.
Executive Vice President, Citibank, N.A.

J. Douglas Gibson
Toronto
Chairman of the Board, The Consumers' Gas Company

L. Edward Grubb
Rumson, N.J.
Corporate Director

Richard W. Hamilton
Toronto
President

Edwin H. Heeney
Toronto
Corporate Director

W. Harold Rea
Toronto
Vice President and Director, The Mutual Life Assurance Company of Canada

Cedric E. Ritchie
Toronto
Chairman of the Board and Chief Executive Officer, The Bank of Nova Scotia

Honorary Directors

W. Herman Browne
Toronto

J. Stuart Fleming
Niagara Falls, N.Y.

V. William Scully
Toronto

Alan H. Temple
New York, N.Y.

Artist (above) uses burnishing tool to align correctly a new form prior to printing. (opposite) New counter register is introduced to Moore representatives meeting at the North American Education Centre. This sales and new product training facility was opened in 1979.

Executive Personnel

Corporate Officers

David W. Barr
Chairman of the Board

Richard W. Hamilton
President

Judson W. Sinclair
Senior Vice President–Finance

Wilbur M. Nichols
Senior Vice President–International

Donald S. Dunlop
Vice President and Treasurer

Florence E. Dougherty
Secretary

George G. Flint
Comptroller

Corporate Services

Robert H. Downie
Vice President and Director of Research

Alan H. Fleming
Auditor

Bruce E. Fowler
Director, Corporate Planning and Development

Peter McConnachie
Director of Human Resources

William F. Young
Director, Corporate Cost and Pricing

Canadian Management

Moore Business Forms Division
Maurice O. Beverley
Vice President and General Manager

Reid Dominion Packaging Limited
Richard W. Bastien
Executive Vice President and General Manager

United States Management

Moore Business Forms, Inc.

National Forms Division
Lee C. Rumph
Executive Vice President

*Homer T. Anderson
Vice President of Corporate Marketing

M. Keith Goodrich
Vice President and Director of Manufacturing

John A. Heist
Vice President and Director of Human Resources

*H. Ross Martin
Vice President and Director of Information Systems

Joseph B. McArthur
Vice President and Comptroller

Chester H. Naukam
Vice President and Director of Sales and Marketing

Thomas J. Pruter
Vice President of U.S. Sales

Response Graphics Division
John R. Anderluh
Vice President and General Manager

Moore Business Systems
Henry P. Cooper
Vice President and General Manager

International Graphics Division
Richard C. Delano
Vice President and General Manager

Machinery and Business Equipment Division
John L. Wilson
General Manager

F. N. Burt Company, Inc.
Graham J. McClean
Vice President and General Manager

**Also provides Corporate Services*

International Management

Toronto, Canada
John M. Kirkpatrick
Vice President and General Manager International Division

Operating Executives

Earl C. Kraft
Regional Chief Executive Central America

James L. Saunders
Regional Chief Executive South America

Albert G. Taylor
Regional Chief Executive Caribbean

London, England
Donald E. Wandersee
Vice President and General Manager International Division

Operating Executives

Denis G. Baddams
Regional Chief Executive Northern Europe

Bernard Coburn
Regional Chief Executive Australasia

Phillip Hoegarts
Regional Chief Executive Central Europe

Piet A. Laubscher
Regional Chief Executive Southern Africa

Denis Nichol
Regional Chief Executive Southern Europe

Eric W. Pattle
Regional Chief Executive United Kingdom and Eire

Roger Prêtre
Regional Chief Executive Western Europe

Changes in Officers and Executives

Jean-Paul R. M. Evans retired as a senior vice president of Moore Corporation Limited and chairman of Moore Business Forms Limited. Mr. Evans was located in London, England, was formerly chairman of Lamson Industries Limited and served with distinction for more than 33 years.

Wilbur M. Nichols was appointed senior vice president—International, located in Toronto. Mr. Nichols was formerly located in London, England as managing director and chief executive officer of International Operations.

Donald E. Wandersee was appointed vice president and general manager of the International Division, London, England. Mr. Wandersee was formerly vice president and general manager of F. N. Burt Company, Inc.

Graham J. McClean was appointed vice president and general manager of F. N. Burt Company, Inc. Mr. McClean was formerly a senior sales executive of Moore Business Forms, Inc.

Following consolidation of the Corporation's international operations, Earl C. Kraft was appointed regional chief executive, Central America; James L. Saunders was appointed regional chief executive, South America; and Albert G. Taylor was appointed regional chief executive, Carbibean.

Peter McConnachie was appointed director of human resources. Mr. McConnachie was formerly industrial relations manager of the Canadian division of the Corporation.

There were a number of changes within Moore Business Forms, Inc. Stanley D. Waltman retired as executive vice president after 37 years of valued service with Moore. Lee C. Rumph, formerly vice president and director of manufacturing has been appointed to succeed Mr. Waltman and M. Keith Goodrich, formerly vice president and director of information services, has been appointed to succeed Mr. Rumph. H. Ross Martin, formerly an associate comptroller, was appointed to succeed Mr. Goodrich. John R. Anderluh, formerly general manager of the Response Graphics Division, was appointed vice president and general manager of that division.

Corporate Office
1 First Canadian Place
P.O. Box 78
Toronto, Canada M5X 1G5

Transfer Agents
National Trust
Company, Limited
21 King Street East,
Toronto M5C 1B3

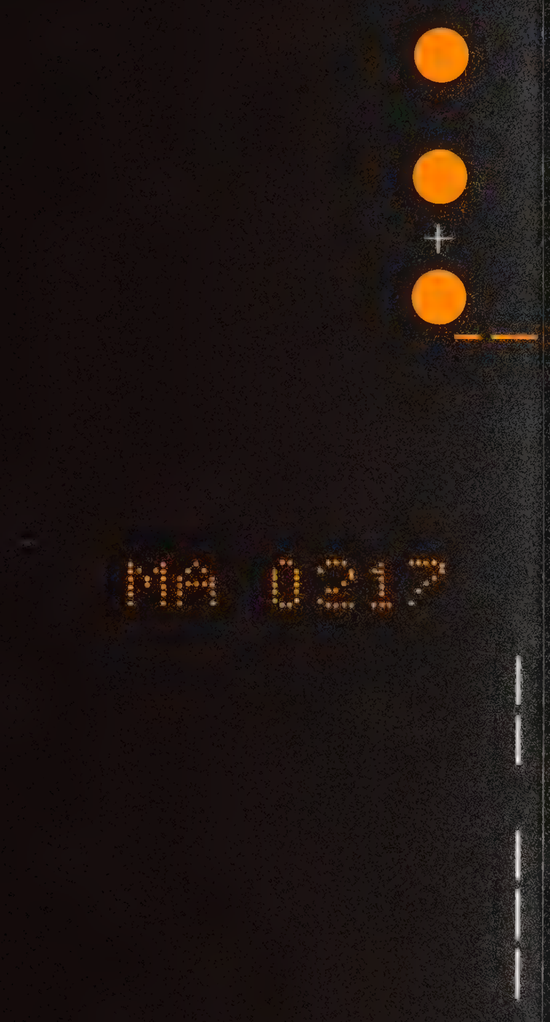
1350 Sherbrooke St. West,
Montreal H3G 1J1

250 Portage Avenue,
Winnipeg R3C 0B5

150 Toronto-Dominion
Square,
Calgary T2P 2Y9

510 Burrard Street,
Vancouver V6C 2J7

Manufacturers Hanover
Trust Company
4 New York Plaza,
New York, N.Y. 10015




6. EXPEDITE REPORT
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F2
F3
ERASE FIELD
ERASE INPUT
PAPER ADV
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ENTER
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MOORE BUSINESS FORMS
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DATE
OUR ORDER

Moore Corporation Limited

Notice of Annual and General Meeting of Shareholders

Notice is hereby given that the annual and a general meeting of the shareholders of Moore Corporation Limited will be held **in Commerce Hall, Commerce Court West** (King & Bay Streets), Toronto, Ontario, on Thursday, the 3rd day of April, 1980 at the hour of 2:00 o'clock in the afternoon Toronto Time for the following purposes:

1. To receive, consider and, if thought fit, approve the consolidated financial statements of the Corporation and its subsidiaries for the year ended December 31, 1979, together with the report of the auditors thereon and the report of the directors to the shareholders.
2. To elect directors for the ensuing year.
3. To appoint auditors for the ensuing year.
4. To consider and, if thought fit, confirm By-law No. 12 of the Corporation, being a by-law amending the provisions of By-law No. 1 respecting the remuneration of directors.
5. To transact such other business as may properly come before the meeting.

Dated at Toronto, Ontario, this 4th day of March, 1980.

By Order of the Board,
F. E. Dougherty
Secretary

If it is not your intention to be present at the meeting, please exercise your right to vote by signing and returning your form of proxy in the envelope enclosed herewith for that purpose. Your form of proxy, imprinted with your name and address, is enclosed in the inner pocket of the covering envelope in which your copy of the 1979 Annual Report and this Notice of Annual and General Meeting have been mailed to you.

Moore Corporation Limited

Information Circular

Solicitation of Proxies

The information contained in this circular is furnished in connection with the solicitation of proxies by the management of Moore Corporation Limited, the "Corporation", to be used at the annual and general meeting of shareholders of the Corporation to be held on Thursday, April 3, 1980 at 2:00 o'clock in the afternoon Toronto Time **in Commerce Hall, Commerce Court West,** (King & Bay Streets), Toronto, Ontario, and at all adjournments thereof, for the purposes set forth in the accompanying notice of meeting. It is expected that the solicitation will be made primarily by mail but proxies may also be solicited personally by employees of the Corporation. The total cost of the solicitation will be borne by the Corporation.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors of the Corporation. **A shareholder desiring to appoint some other person as a representative at the meeting may do so** either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, delivering the completed form of proxy to the Secretary of the Corporation in time for use at the meeting.

A shareholder who has given a proxy may revoke it either (a) by signing a proxy bearing a later date and delivering it to the Secretary of the Corporation in time for use at the meeting or (b), as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by signing written notice of revocation and delivering it to the Secretary of the Corporation or the Chairman of the meeting.

Exercise of Discretion by Persons Appointed

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such shares will be voted for approval of the consolidated financial statements, the report of the auditors thereon and the report of the directors to the shareholders and for confirmation of By-law No. 12 of the Corporation. Such shares will also be voted for the election of directors and appointment of auditors as indicated under those headings in this circular.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the notice of meeting, and with respect to other matters which may properly come before the meeting. At the date of this circular, the management of the Corporation knows of no such amendments, variations or other matters.

Voting Shares

On February 21, 1980, the Corporation had outstanding 28,023,146 common shares without par value. Shareholders of record at the close of business on April 1, 1980 will be entitled to one vote for each share held by them. As far as is known to the directors and senior officers of the Corporation, no person holds of record or owns beneficially more than 10% of the common shares of the Corporation.

Election of Directors

The Board consists of nine directors to be elected annually. The persons named in the enclosed form of proxy intend to vote for the election of the proposed nominees whose names are set out in this circular as directors of the Corporation. All such nominees are now members of the Board of Directors and have been since the dates indicated. Management does not contemplate that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the next annual meeting or until his successor is elected.

The Corporation is required to have an audit committee and the present members of such committee are indicated with an asterisk.

The following information is provided with respect to the persons proposed to be nominated for election as directors and indicates the common shares of the Corporation reported by such persons as beneficially owned directly or indirectly by them as of February 21, 1980.

	Became Director	Common Shares
David W. Barr, Toronto, Ontario Chairman of the Board of the Corporation	January, 1968	27,500
***Edward H. Crawford,** Toronto, Ontario President, The Canada Life Assurance Company (Life insurance)	April, 1975	500
***James D. Farley,** New York, N.Y. Executive Vice President, Citibank, N.A. (Banking)	January, 1977	100
***J. Douglas Gibson,** Toronto, Ontario Chairman of the Board, The Consumers' Gas Company (Natural gas distribution)	June, 1971	1,400
***L. Edward Grubb,** Rumson, N.J. Corporate Director	March, 1973	1,000
Richard W. Hamilton, Toronto, Ontario President of the Corporation	April, 1974	4,700
***Edwin H. Heeney,** Toronto, Ontario Corporate Director	March, 1972	200
***W. Harold Rea,** Toronto, Ontario Vice President and Director, The Mutual Life Assurance Company of Canada (Life insurance)	September, 1963	2,000
***Cedric E. Ritchie,** Toronto, Ontario Chairman of the Board and Chief Executive Officer, The Bank of Nova Scotia (Banking)	January, 1978	100

**Member of Audit Commitee*

Remuneration of Management

The following table shows the aggregate remuneration paid or payable by the Corporation and its wholly-owned subsidiaries during 1979 to the directors of the Corporation as such, to the five senior officers of the Corporation receiving the highest remuneration and to all officers of the Corporation who received annual remuneration in excess of $50,000 (Cdn.) or equivalent, together with the estimated aggregate cost to the Corporation and its subsidiaries in the year of pension benefits for each of these three groups:

	Aggregate Remuneration	Pension Benefits
Nine directors	$ 62,750*	—
Five senior officers	$ 735,891*	$43,284*
All officers receiving over $50,000 per annum	$1,073,143*	$60,724*

*Expressed in United States Currency

Stock Options

On May 8, 1979, an option in respect of 1,000 common shares was granted to a senior officer of the Corporation at a price of $37.94 (Cdn.) per share, the market value on that date. Such option expires on May 7, 1989. The price range of the shares, in Canadian funds, in the thirty-day period preceding the grant was from $37.75 to $39.38 (Cdn.) per share.

The option was granted pursuant to the provisions of the 1976 Executive Stock Option Plan approved by shareholders of the Corporation on April 14, 1976 and the Corporation received no consideration for the granting thereof.

Amendment of By-laws

On February 8, 1980 the directors enacted By-law No. 12 of the Corporation, being a by-law amending the provisions of By-law No. 1 as they relate to the remuneration of directors by increasing the annual remuneration of each director from $5,000 to $7,500 (U.S.) and by increasing the fee paid for each meeting of directors or a committee thereof attended from $250 to $400 (U.S.). To be effective, By-law No. 12 must be passed by a majority of the votes cast at the meeting.

Appointment of Auditors

The persons named in the accompanying form of proxy intend to vote in favour of the reappointment of Price Waterhouse & Co. as auditors of the Corporation for a term expiring with the annual meeting of shareholders in 1981. Price Waterhouse & Co. have served as auditors of the Corporation since 1929.

Toronto, Ontario, February 21, 1980

By Order of the Board,
F. E. Dougherty
Secretary